



State of Connecticut

SENATOR JOHN McKINNEY

SENATE MINORITY LEADER

28th DISTRICT

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September 16, 2009

[REDACTED]
[REDACTED]
[REDACTED]
Dear [REDACTED]

The recently passed FY10-11 budget hurt Connecticut's towns and cities in several ways. Despite election-year promises, the legislature failed to pass mandate relief, and instead cut state-aid to municipalities by \$50 million through a reduction in the Mashantucket Pequot and Mohegan Fund. Additionally, the budget includes an easily over-looked provision that freezes state matching funds for school construction projects through June 30th 2010. The purpose of this letter is to inform you of the potential implications of this moratorium and to solicit your help in making sure important school construction projects are not delayed.

On September 4th, the non-partisan Office of Fiscal Analysis confirmed that a \$7.8 million reduction in Debt Service in the FY10-11 budget has been achieved by placing a 1-year moratorium on school construction projects. The reduction was based on the following analysis which was provided to OFA by the State Department of Education (DOE):

A moratorium on school construction grants-in-aid for projects that would be approved during the 2009 legislative session including re-authorizations would result in no savings in FY 10 and a debt service savings of about \$7.8 million in FY 11. The estimate is based on: (a) a school construction priority list of \$425 million for the 2009 legislative session, (b) an estimated 55% of the priority list will be funded by the state (about \$234 million), (c) all projects will be in the planning phase in FY 10 so no state funds will be paid out, and (d) about one-third or \$78 million of the fund would be allocated in FY 11 to cover the state's share of the construction costs.

Attached you will find the School Construction Priority List from the DOE which outlines each of the projects affected by this moratorium. The grants in jeopardy for new projects are listed in Table 1 on page 1-1. Projects that were previously authorized, but have changed significantly in size or scope are listed on pages 4-1 through 4-11.

For these projects, the differences between the "authorized" and "requested" funding amounts are in jeopardy. "Nature of change" describes what the funding was intended to pay for.

Please know that your municipality is likely to be affected by this moratorium whether or not your schools appear on the priority list. Because Connecticut places an annual cap on school construction funding, delaying projects this year will create a domino affect that could delay funding for projects set to begin next year, or even two-years from now.

Do not be misled by legislators who falsely contend that no such moratorium exists. As confirmed by OFA, the moratorium is real and it will adversely affect Connecticut schools unless the legislature takes action.

To that end, I am requesting your help. Please contact your local legislators today and demand that this funding be restored.

It is my hope that, together, we will convince Democrat leaders to reconsider the moratorium and restore funding for these important projects in a responsible way; not by borrowing or raising taxes, but by cutting \$7.8 million in spending elsewhere in the budget.

Sincerely,

A handwritten signature in black ink, appearing to read "John McKinney", written in a cursive style.

John McKinney